

In the Matter of the Accusation of THE)	
CALIFORNIA CORPORATIONS)	Case No. 963-1863
COMMISSIONER,)	
)	
Complainant,)	OAH No. L2003090552
)	
vs.)	
)	
MARY DEE MAFLA,)	
)	
Respondent)	

- (1) On page 2 of the Proposed Decision, in the title for paragraph number 5, the number "25015" is substituted for "15015" so that the correct title for paragraph number 5 is "Dynamic escrow number 25015."
- (2) On page 4 of the Proposed Decision, paragraph number 9 entitled "Dynamic escrow number 25039" is modified to account for the description of the multiple disbursements from that escrow account. The clarifying changes, which mainly pluralize the word "disbursement," are put forth with the entire paragraph and are as follows:
 - (a) On or about June 14, 2002, Mafla made unauthorized disbursements of trust funds to herself in the amount of \$150.00 and \$70.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursements were unauthorized in that there was no written escrow instruction authorizing such disbursements. There were also no invoices in the file to support the disbursements.
 - (b) On or about June 13, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursements to herself as notary fees.

This Decision shall become effective on January 30, 2004.

IT IS SO ORDERED this 30 day of January 2004.

WILLIAM P. WOOD
California Corporations Commissioner

BEFORE THE
COMMISSIONER OF CORPORATIONS
STATE OF CALIFORNIA

In the Matter of the Accusation of THE
CALIFORNIA CORPORATIONS
COMMISSIONER,

Complainant,

vs.

MARY DEE MAFLA,

Respondent.

Case No. 963-1863
OAH No. L2003090552

PROPOSED DECISION

This matter came on regularly for hearing before Ralph B. Dash, Administrative Law Judge with the Office of Administrative Hearings, on October 27, 2003, at Los Angeles, California.

Judy L. Hartley, Senior Corporations Counsel, represented Complainant.

The Accusation was served and due notice of the time and place for hearing was given as required by the Government Code. There was no appearance by or on behalf of Respondent and the matter proceeded by way of a default hearing.

Oral and documentary evidence having been received and the matter submitted, the Administrative Law Judge issues the following Proposed Decision.

* * * * *

COMBINED FINDINGS OF FACTS AND CONCLUSIONS OF LAW

1. Respondent Mary Dee Mafla ("Mafla") was at all times relevant herein, the manager and an escrow officer at Dynamic Escrow, Inc. ("Dynamic"), an escrow agent licensed by the California Corporations Commissioner ("Commissioner" or "Complainant") pursuant to the Escrow Law of the State of California (California Financial Code Section 17000 et seq.). Dynamic has its principal place of business at 16177 Brookhurst Street, Fountain Valley, California 92708.

2. On or about August 26, 2002, Dynamic reported to the Commissioner that Mafla had made unauthorized disbursements to herself and others in numerous escrows, and had not properly disclosed the disbursements on the closing statement. Based upon the report, the Commissioner commenced a special examination of the books and records of Dynamic on September 4, 2002.

The violations discovered during the special examination of Dynamic are as follows:

3. Dynamic escrow number 24974

(a) On or about April 16, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about April 12, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to Mafla as notary fees.

4. Dynamic escrow number 24981

(a) On or about March 14, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about March 15, 2002, Mafla made an unauthorized disbursement of trust funds to her assistant, Maggie Friedl, in the amount of \$10.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement.

(c) On or about March 12, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

5. Dynamic escrow number 15015

(a) On or about April 12, 2002, Mafla made an unauthorized disbursement of trust funds to a Monica Mafla in the amount of \$80.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2.

The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was an invoice in the file for \$80.00 in messenger fees, however, the invoice was unsigned.

(b) On or about April 12, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(c) On or about April 11, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursements to herself and Monica Mafla as notary and messenger fees.

6. Dynamic escrow number 25020

(a) On or about March 26, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$125.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about March 26, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

7. Dynamic escrow number 25030

(a) On or about March 25, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$60.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, section 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about March 22, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

8 Dynamic escrow number 25036

(a) On or about April 19, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The

disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about April 18, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

9. Dynamic escrow number 25039

(a) On or about June 14, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$150.00 and \$70.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about June 13, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

10. Dynamic escrow number 25057

(a) On or about May 15, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was an invoice in the file for notary fees in that amount to Mafla, however, the number of notarized signatures in the file supported a notary fee charge of only \$30.00 total, and Mafla is not a notary public.

(b) On or about May 15, 2002, Mafla made an unauthorized disbursement of trust funds to her assistant, Maggie Friedl, in the amount of \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement. There was an invoice in the file for notary fees in that amount to Maggie Friedl, however, the number of notarized signatures in the file supported a notary fee charge of only \$30.00 total.

(c) On or about May 1, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursements to herself and Maggie Friedl as notary fees.

11. Dynamic escrow number 25063

(a) On or about April 19, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$75.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about April 19, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as notary fees.

12. Dynamic escrow number 25065

(a) On or about May 15, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about May 15, 2002, Mafla made an unauthorized disbursement of trust funds to her assistant, Maggie Friedl, in the amount of \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement.

(c) On or about May 1, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself and Maggie Friedl as notary fees.

13. Dynamic escrow number 25071

(a) On or about May 8, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about May 8, 2002, Mafla made an unauthorized disbursement of trust funds to her assistant, Maggie Friedl, in the amount of \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement.

(c) On or about May 8, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursements to herself and Maggie Friedl as notary fees and messenger fees.

14. Dynamic escrow number 25112

(a) On or about June 11, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount of \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was an invoice in the file for notary fees in that amount to Mafla, however, Mafla is not a notary public.

(b) On or about June 11, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself as a loan tie-in fee.

15. Dynamic escrow number 25120

(a) On or about June 18, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$260.00 in violation of financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about June 18, 2002, Mafla made an unauthorized disbursement of trust funds to Maggie Friedl, in the amount of \$180.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement, however, the number of notarized signatures by Friedl in the file supported a notary fee charge of \$20.00.

(c) On or about June 17, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to herself and Maggie Friedl as "doc" fees.

16. Dynamic escrow number 25137

a) On or about July 2, 2002, Mafla made an unauthorized disbursement of trust funds to Maggie Friedl in the amount \$100.00 in violation of financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement,

however, notarized signatures by Maggie Friedl found in the file would only support a notary fee of \$40.00.

b) On or about July 2, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to Maggie Friedl as notary fees.

17. Dynamic escrow number 25138

(a) On or about July 26, 2002, Mafla made an unauthorized disbursement of trust funds to Melodie Lebrun in the amount \$100.00 in violation of financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about July 2, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to Melodie Lebrun as "doc" fees.

18. Dynamic escrow number 25159

(a) On or about July 26, 2002, Mafla made an unauthorized disbursement of trust funds to Melodie Lebrun in the amount \$215.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about August 1, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to Melodie Lebrun as notary fees.

19. Dynamic escrow number 25169

(a) On or about July 10, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$157.50 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about July 10, 2002, Mafla made an unauthorized disbursement of trust funds to Maggie Friedl, in the amount of \$157.50 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file for this disbursement.

(c) On or about July 10, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that overstated the loan payoff by \$160.00 and misrepresented the remainder of the \$315.00 disbursements to herself and Maggie Friedl as "doc/reconveyance" fees.

20. Dynamic escrow number 25175

(a) On or about August 1 2002, Mafla made an unauthorized disbursement of trust funds to Melodie Lebrun in the amount \$100.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

(b) On or about July 31, 2002, Mafla violated Financial Code section 17414(a)(2) by preparing a settlement statement that misrepresented the disbursement to Melodie Lebrun as notary fees.

21. Dynamic escrow number 25179

(a) On or about July 2, 2002, Mafla made an unauthorized disbursement of trust funds to herself in the amount \$150.00 in violation of Financial Code section 17414(a)(1) and California Code of Regulations, title 10, sections 1738 and 1738.2. The disbursement was unauthorized in that there was no written escrow instruction authorizing such a disbursement. There was also no invoice in the file to support the disbursement.

* * * * *

WHEREFORE, THE FOLLOWING ORDER is hereby made:

Pursuant to the provisions of California Financial Code section 17423, Respondent Mary Dee Mafla is barred from any position of employment, management or control of any escrow agent.

Date: November 19, 2003

RALPH B. DASH
Administrative Law Judge
Office of Administrative Hearings